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REMARKS

In the Office Action mailed January 19, 2007 the Examiner rejected claims 1-3, 7-

9, 14-17 and 24-26 under 35 U.S.C. 102(b) as being anticipated by PCT Application

Publication No. WO 94/10775 to Wasilewski; rejected claims 4 and 6 under 35 U.S.C.

103(a) as being unpatentable over Wasilewski in view of U.S. Patent No. 6,263,313 to

Milsted et al. and rejected claim 23 under 35 U.S.C. 103(a) as being unpatentable over

Wasilewski in view of U.S. Patent No. 5,602,916 to Grube.

In the Rejection, the Examiner equates Wasilewski's seed with the claimed level

of encryption. This is incorrect. Wasilewski's seed appears to be equivalent to an

encryption key. See page 21, lines 9-11 and page 22, lines 26-30. One definition of a

key is a data string that is combined with the source data, such as video data, using an

encryption algorithm wherein the output of the algorithm is a data string that is

unreadable until it is decrypted. To encrypt data using this process both a key and an

algorithm are needed. Thus, a key and an algorithm are not the same.

Applicant's claimed "level of encryption" refers to the algorithm and not the key.

This is supported by dependent claims 2 and 6. Therefore, where Wasilewski describes a

seed, Wasilewski is not describing an algorithm or a level of encryption of an algorithm.

The Examiner is also apparently equating a key with an algorithm. The Examiner

refers to the same passage in Wasilewski, page 26, lines 1-10, when the Examiner asserts

Wasilewski teaches both different encryption levels and encryption keys. As stated

earlier, a key is not the same thing as an algorithm. It is therefore improper for the

Examiner to reject independent claims 1, 14, 23 and 24 and dependent claims 2, 6 and 25

using the same passage in Wasilewski for two distinctly different claim elements.

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Claims not specifically mentioned above are allowable due to their dependence on an allowable base claim.

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CONCLUSION

No fees are due for this Response. However, the Office is authorized to charge any additional fees or underpayments of fees (including fees for petitions for extensions of time) under 37 C.F.R. 1.16 and 1.17 to account number 502117. Any overpayments should be credited to the same account

Applicant requests entry of this amendment, reconsideration of the pending claims and the issuance of a Notice of Allowance. Should the Examiner have any questions, he is invited to contact Applicant's representative below.

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